



# ALEXANDER & BALDWIN

## **A&B's Newest High-Rise Condominium Underway on Oahu; Keola La'i Will Provide 352 Units**

July 7, 2005

HONOLULU--(BUSINESS WIRE)--July 7, 2005--A&B Properties, Inc., the real estate subsidiary of Alexander & Baldwin, Inc. (NASDAQ:ALEX), today received approvals from the Hawaii Community Development Authority for what will be the company's third high-rise residential condominium development on Oahu, a 42-story, 352-unit building named Keola La'i (tranquil lifestyle). The project will be developed by the limited liability company A&B Kakaako LLC, which is managed by A&B Properties. A&B purchased the 2.7-acre parcel, located in Kaka'ako at the corner of South Street and Queen Street, close to downtown Honolulu, in August 2004. The first 85 units in the project will be released for sale later this month, with at least 50% of those units for sale to owner-occupants. Construction is expected to start by early 2006 with occupancy expected within two years.

"We expect Keola La'i to be the preferred choice for those wishing to live in Honolulu's new urban village -- Kaka'ako -- which offers a place for people to 'live, work and play'," said A&B Properties CEO Stanley M. Kuriyama. "It will have excellent ocean views and good access from adjoining streets. The property is a couple of blocks from both downtown Honolulu and Restaurant Row, and lies close to numerous business and government offices, retail and entertainment centers and dining establishments." The property comprises an entire block, and establishments surrounding the property include The Advertiser Building, Kamehameha School's Kawaiahao Plaza headquarters, a Gold's Gym and the office headquarters and museum for the Honolulu Fire Department, which is currently under construction.

Keola La'i will have 37 stories of residential apartments atop five floors of parking. There will be one-, two- and three-bedroom models available and the project will include a recreational area with swimming pool, fitness center and barbeque area on the fourth deck, plus a pavilion and kitchen facilities for entertaining. There also will be 10,000 square-feet of commercial space on the ground floor, available to retailers, service providers and other businesses.

The project will have 71 one-bedroom, 244 two-bedroom and 40 three-bedroom units. The one-bedroom units will average 675 square feet in size, and prices will begin at \$340,000. The two-bedroom units will average 1,000 square feet, with prices beginning at \$445,000. The three-bedroom units average 1,400 square feet in size, and prices will begin at \$695,000. All two and three-bedroom units will have two assigned parking stalls each. A&B has constructed a sales office and model unit in the Waterhouse building on Queen Street, adjacent to the project site, and Coldwell Banker Pacific Properties has been hired as the project broker. Reserved housing units required by HCDA rules will also be provided within the project, at prices to be determined.

"We are excited to be participating in the development of Kaka'ako and, similar to our involvement in two other high-rise condominium projects -- Lanikea and Hoku -- we expect to build a quality highrise that will be well-received in the marketplace," said Kuriyama. Lanikea is a 100-unit project that is the first high-rise to be built in Waikiki in over a decade. Construction will be completed this month and the first closings have already occurred. Hoku is a 247-unit luxury condominium project being built in a partnership with the MacNaughton and Kobayashi Groups, and is scheduled for completion late this year. Both projects are completely sold out.

A&B Properties, Inc. ([www.abprop.com](http://www.abprop.com)) is the real estate subsidiary of Alexander & Baldwin, Inc., a diversified corporation headquartered in Honolulu. A&B owns 91,000 acres in Hawaii, making it the state's fourth largest private landowner. A&B Properties has an income portfolio of commercial properties in Hawaii and on the U.S. mainland consisting of more than 5.2 million square feet of leasable retail, office, and industrial space.

The majority of A&B's recent acquisition and investment activity has been focused on Hawaii where, since 1999, A&B Properties has acquired or invested in 23 properties outside its core land holdings on Maui and Kauai, representing a total capital commitment approaching \$500 million. A&B development projects are currently on-going on Oahu, Maui, Kauai and the Big Island.

A&B's major lines of business are ocean transportation (Matson Navigation Company, Inc.); real estate (A&B Properties, Inc.); and food products (Hawaiian Commercial & Sugar Company, Kauai Coffee Company, Inc.). Additional information about A&B may be found at its web site: [www.alexanderbaldwin.com](http://www.alexanderbaldwin.com).

Statements in this press release that are not historical facts are "forward-looking statements," within the meaning of the Private Securities Litigation Reform Act of 1995, that involve a number of risks and uncertainties that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Factors that could cause actual results to differ materially from those contemplated in the statements include, without limitation, overall economic conditions, failure to satisfy the closing conditions set forth in the definitive agreement and other risks associated generally with acquisitions and developments. These forward-looking statements are not guarantees of future performance. This release should be read in conjunction with our Annual Report on Form 10-K and our other filings with the SEC through the date of this release, which identify important factors that could affect the forward-looking statements in this release.

CONTACT: Alexander & Baldwin Meredith J. Ching, 808-525-6669 [mching@abinc.com](mailto:mching@abinc.com) SOURCE: A&B Properties, Inc.